

### **18991. Audits of Campaign Reports and Statements of Local Candidates and Their Controlled Committees.**

(a) The Commission shall select local candidates and their controlled committees for audit by the Franchise Tax Board pursuant to Government Code Section 90001(i) and this section.

(b) Local candidates and committees shall be selected for audit each odd-numbered year, at the same time that candidates for the Legislature in a direct primary or general election are selected for audit, or as soon as feasible thereafter.

(c) The Commission shall select a total of 20 local jurisdictions to be audited, in accordance with the schedules in subsections (d), (e), (f) and (g). The Commission shall then determine, by random selection, the order in which the Franchise Tax Board shall conduct the audits of the 20 local jurisdictions.

If the Commission receives notice that the Franchise Tax Board is able to conduct additional audits of local jurisdictions with the funds available during a two-year cycle, the Commission shall select an additional 20 local jurisdictions to be audited, in accordance with the schedules in subsections (d), (e), (f) and (g). The Commission shall determine, by random selection, the order in which the Franchise Tax Board shall conduct the additional audits.

If the Franchise Tax Board is unable to audit all of the jurisdictions selected with the funds available during a two-year audit cycle, the remaining jurisdictions shall be subject to random audit during the next audit cycle on the same basis as any other jurisdiction of the same type.

(d) A total of 40 percent of the jurisdictions selected for audit shall be counties, including any city and county. When a county is selected for audit, the audit shall include primary election candidates for county office, as defined in Elections Code Section 34, and general election candidates for county office, as defined in Elections Code Section 34, at the last county primary and general elections held prior to the audit selection. Those candidates who file pursuant to Government Code Section 84206 shall not be audited under this provision.

Counties shall be grouped by population size, as determined by the most recent ~~decennial federal census~~ population estimates published by the Department of Finance, and the total number of jurisdictions selected for audit from each group, by random selection, shall be:

(1) Counties with a population of 700,000 or more--15 percent of the total jurisdictions selected.

(2) Counties with a population of at least 150,000 but less than 700,000--15 percent of the total jurisdictions selected.

(3) Counties with a population of less than 150,000--10 percent of the total jurisdictions selected.

(e) A total of 40 percent of the jurisdictions selected for audit shall be cities, not including any city and county. When a city is selected for audit, the audit shall include candidates for city elective office at the last general municipal election held prior to the audit selection. Those candidates who file pursuant to Government Code Section 84206 shall not be audited under this provision.

Cities shall be grouped by population size, as determined by the most recent ~~decennial~~ federal census population estimates published by the Department of Finance, ~~or if a new city has come into existence since the last decennial federal census, population size shall be determined by other reliable data,~~ and the total number of jurisdictions selected for audit from each group, by random selection, shall be:

(1) Cities with a population of 100,000 or more--15 percent of the total jurisdictions selected.

(2) Cities with a population of at least 25,000 but less than 100,000--15 percent of the total jurisdictions selected.

(3) Cities with a population of less than 25,000--10 percent of the total jurisdictions selected.

(f) A total of 10 percent of the jurisdictions selected for audit shall be school districts and community college districts. These districts shall be selected by random selection. When a school district or community college district is selected for audit, the audit shall include all candidates for governing board at the last regular school or community college district election held prior to the audit selection. Those candidates who file pursuant to Government Code Section 84206 shall not be audited under this provision.

(g) A total of 10 percent of the jurisdictions selected for audit shall be special districts, not including school and community college districts. These districts shall be selected by random selection. When a special district is selected for audit, the audit shall include candidates for governing board of the district at the last general district election held prior to the audit

selection. Those candidates who file pursuant to Government Code Section 84206 shall not be audited under this provision.

Note: Authority: Section 83112, Government Code.

Reference: Section 90001(i), Government Code.